

FISCAL NOTE

SB 314 - HB 1279

February 26, 1997

SUMMARY OF BILL: Requires local governments to provide defense attorneys for employees sued for damages for cause of action arising out of their employment.

ESTIMATED FISCAL IMPACT:

Increase Local Government Expenditures* - Exceeds \$100,000 Over Time

Assumes that if several counties or cities were required to pay for legal counsel for employees or to acquire insurance that pays such fees, the cost could easily exceed \$100,000 over time. Such cost would not likely be realized in the first year, however. This estimate applies only to those cities and counties which are not currently covered by insurance which provides for such expenditures.

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director